



"The City With a Heart"

Jim Ruane, Mayor
Ken Ibarra, Vice Mayor
Rico E. Medina, Councilmember
Irene O'Connell, Councilmember
Michael Salazar, Councilmember

MINUTES

SAN BRUNO CITY COUNCIL

May 8, 2012
7:00 p.m.

1. CALL TO ORDER: THIS IS TO CERTIFY THAT the San Bruno City Council met on May 8, 2012 at the San Bruno Senior Center, 1555 Crystal Springs Rd., San Bruno, CA. The meeting was called to order at 7:00 p.m.

Mayor Ruane thanked the San Bruno Garden Club for the beautiful floral arrangement.

2. ROLL CALL/PLEDGE OF ALLEGIANCE: Presiding was Mayor Ruane, Vice Mayor Ibarra, Council Members O'Connell, Medina and Salazar. Recording by Clerk Bonner. **City Manager Jackson** led the Pledge of Allegiance.

3. ANNOUNCEMENTS:

Mayor Ruane announced Police Recognition Day would be held at the Shops at Tanforan from 10:00 a.m. to 9:00 p.m. on Saturday May 12.

4. PRESENTATIONS:

a. **Mayor Ruane** said we would Receive a Presentation from the CalTrain Joint Powers Board Regarding the Final Design of the San Bruno Grade Separation.

Liria Larano, accompanied by **Marian Lee**, Caltrain gave a powerpoint presentation of their plans to build only a two-track station in San Bruno. **Larano** also gave an explanation of what a four-track station entails for high-speed rail. **City Manager Jackson** asked Caltrain to give the alternative. **Larano** said Caltrain is working with a team to look at a blended system and didn't know when the decision will be made.

Discussion took place between Council members regarding the impact of Caltrain on the City of San Bruno. **City Manager Jackson** said she didn't believe there was any confusion about the City's position and she felt it necessary the City Council take a formal action to weigh in officially on this issue. She said construction has impacted our City and the City should only have to go through the trauma one time. **Vice Mayor Ibarra** said we have been impacted twice, once with BART and now with the current construction.

Robert Riechel, 7th Ave. asked how would electrification impact our City? **Larano** said electrification is for modernization of their system to be done independently of the four-track issue.

b. Receive Presentation from SamTrans Regarding Proposed Changes to Bus Service. This item will be moved to a future date.

c. Mayor Ruane Presented a Proclamation Declaring May 20 – 26, 2012 as Public Works Week to Public Services Director Fabry who thanked the City on behalf of her department.

5. REVIEW OF AGENDA: **Mayor Ruane** pulled Item 10.a. to a future meeting.

6. APPROVAL OF MINUTES: Special City Council Meeting of April 24, 2012 and Regular City Council Meeting of April 24, 2012, approved as submitted.

7. CONSENT CALENDAR:

- a. **Approve:** Accounts Payable of April 23 and 30, 2012.
- b. **Approve:** Payroll of April 22, 2012.
- c. **Accept:** Reconciliation of General Ledger to Bank Reports and the Investment Reports Dated March 31, 2012.

M/S Ibarra/Medina to pass the Consent Calendar and passed with all ayes.

8. PUBLIC HEARINGS:

a. Hold Public Hearing, Waive First Reading, and Introduce Ordinance Imposing a 2.341% Rate Increase Requested by Recology San Bruno for 2012-13 to be Effective July 1, 2012 as Presented in the Notice of Proposed Increase Mailed to All Property Owners.

City Manager Jackson introduced the subject and said all protests given to the City have been delivered to the City Council.

Finance Director Juran gave a powerpoint overview of the proposed increase of the garbage rate. She said 53 people objected to the increase.

b. Hold Public Hearing, Waive First Reading, and Introduce Ordinances Adjusting Water and Wastewater Rates as Presented in the Notice of Proposed Increase Mailed to All Property Owners.

City Manager Jackson gave an overview of the staff report and said there are two separate actions before Council. One is an ordinance for garbage; the other is an ordinance for water and an ordinance for wastewater.

Finance Director Juran gave a powerpoint background and overview of the proposed increase of the water and wastewater rates. She said 330 confirmed property owners and an additional 20 objections from other members of the public objected to the increase.

Councilmember Salazar said he has been asked by the public where does it all end? **City Manager Jackson** said the reason for a long-term horizon is the opportunity to predict and stabilize the necessary revenue requirements to maintain the system. She believed the rate increase would stabilize.

Vice Mayor Ibarra asked how we got to this point? **City Manager Jackson** said the City has maintained a flexible water delivery system and investment in its water production system. She said City has not maintained an awareness and maintenance to repair the infrastructure.

Vice Mayor Ibarra asked what if we cut rates? **City Manager Jackson** said Council had the ability to do that. She said the revenue necessary in order to do what needs to be done to meet the priorities outlined in the master plan would not be available.

Mayor Ruane said we have had a lot of sanitary sewer overflows and because of that we've been sued by the Baykeepers, their lawyers and the Water District. He said they are not only trying to maintain but improve.

Mayor Ruane opened the Public Hearing to questions on garbage.

Jack Boland, Peninsula Place asked why Peninsula Place couldn't put their garbage out to competitive bidding? He said they are grossly overcharged.

Russell Stines, Reid Ave. said his business has decreased and the increases hurt.

Hank Chaff, Fasman Dr. objected to the increases, asked if it was justified and suggested a bond measure or the \$70 million dollars from PG&E. He also said garbage was excellent; however, it is a monopoly.

Barbara LaRaia, Clark Ave. said the garbage should be put out to bid. She said she understood the City has a ten-year contract with Recology. She asked for clarification if the City gets anything off the top?

James O'Neil, Peninsula Place opposed the proposed increase and asked their rates be reduced.

Mayor Ruane continued the Public Hearing to questions on water and wastewater.

Audrey Hall, Caselton Way questioned Prop 218 water rates and construction for the future. She asked about Water Tank 3. She asked if there is a financial report to see how these increases were calculated. She asked why the letter did not come in different languages? She also said the increases are too high. She suggested \$70 million be used to fix the infrastructure.

Vito Dellegrazie, Anza Ct. San Bruno resident for over 40 years. He said rates keep getting higher. He said San Bruno spent a lot of money to re-do their wells and felt some sacrifices need to be made to meet daily obligations. No sacrifices are being made.

Rina Ranahan, Park Ave. read Prop 218 and said this should go to a vote rather than forcing a rate increase on this City.

Russell Stines, Reid Ave. asked if competitive prices could be gotten from somewhere else.

Barbara LaRaia, Clark Ave. said over the last twenty years rates have been increasing in San Bruno based on the excuse of repair of the infrastructure.

Walter Bird, Crestmoor Dr. asked if the increase would be 100% if we weren't using well water.

Jerry Guernsey, Concord Way asked if the \$50 million given to the Glenview/Crestmoor area includes all the water and sewer lines? He objected to the rate increases.

John Barrelier, N. San Anselmo read an editorial from the San Bruno Journal. He asked about examining other ways of saving money, such as cutting staff.

Elaine Matthies, Elm Ave. asked why things haven't been done before? She asked for a different size of garbage can? She said no reward for recycling.

Hank Chaff, Fasman Ave. suggested a bond measure. He also suggested using the \$70 million given to San Bruno.

Tirrel Champion, Crystal Springs Rd. said they do everything to conserve and the increase is painful. She asked why hasn't maintenance been ongoing?

Mike Brahney, Oak Ave. asked Council listen to what is being said.

Marty Medina, Garden Ave. said the five-year plan is too aggressive. He said a small increase this year and the opportunity for us to examine how infrastructure projects are done in San Bruno.

Sean Conley, Madison Ave. asked how regular citizens can control the cost to help it stay lower?

Mike Watkins, Huntington Ave. asked if BART and/or Caltrain were asked to help out with our infrastructure?

M/S O’Connell/Ibarra to close the public hearing and passed with all ayes.

Mayor Ruane asked about Prop 218? **City Attorney Zafferano** said the process has been followed.

City Manager Jackson addressed the questions as follows:

Regarding Peninsula Place, they asked if this could go out to a competitive bid and work with Recology to service related issues. She said Council might want to take up with Recology under the Franchise Agreement. **Councilmember O’Connell** asked for the accuracy of the statement that each person at Peninsula Place pays the single rate. **Juran** said they pay \$1.00 less.

Regarding bonding, she said there needed to be a revenue stream to secure the debt.

Tank 3 is not on the list of improvements to be funded via the PG&E trust.

What sacrifices have been done to reduce costs? Salary reductions over the last five years.

Calculations were explained.

This program is about getting ahead of deterioration.

Caltrain and Bart pay for infrastructure.

Well water does decrease costs and provides flexibility.

Regarding the master plan being approved sooner, she said it is a very time-consuming process and it is typically done every ten years.

A financial report is available through the City’s website.

A water supply through a new well is a costly endeavor. Presently there is a 50% reduction in our water system.

Juran answered questions:

Regarding the water bill, it is based on consumption and the sewer bill is based on a four-month average from winter.

The \$21 million received annually is used to fund the necessary operation and capital improvement in the system. Any amount that is received that is not spent on operating or capital costs are absorbed into that fund balance, water rates remain in the water fund, the same with sewer.

She said the can sizes are consistent with neighboring cities.

Vice Mayor Ibarra asked if we didn’t have wells, what would San Francisco Water be charging? **City Manager Jackson** said it needs to be researched. A representative from the San Francisco Water Department said we pay far less because of our wells.

Vice Mayor Ibarra talked about previous increases assessed the City for water and those we will be charged by the year 2020, excluding capital improvements.

Mayor Ruane talked about their salaries that have been at \$486 for many years and there are no back-door deals, access to everything that is done in the City is available.

Councilmember O’Connell said she has never taken a raise. She said the staff has taken a 5% decrease in salary. She talked about the founding of the City going back to 1914 and the water and sewer problems her grandparents and parents experienced. In 1995, for the first time since the City was founded, she, along with Mayor Ruane and Vice Mayor Ibarra developed a Master Plan.

She said she was available to talk with anyone and also reminded the citizens the City offers a 25 % reduction program.

Councilmember Salazar said he was on the Committee with Councilmember O'Connell who reviewed the plan. He said he looked at the technical side of this plan and saw the infrastructure crumbling and the plan sounded all right. But, when he read and listened to the objections, he realized people are still hurting from the economy. He said there are different mechanisms that can be used to generate revenue and maybe we need to look a little harder.

Councilmember Salazar asked to receive information regarding low-income discounts as asked in a previous Council meeting since part of this plan is to put the sewer portion of the bill on the property tax bill. **City Manager Jackson** said they do not have a viable alternative mechanism other than to provide the low-income discount on the sewer side other than the delinquent fees, which we currently receive. She said staff understands Council's wish to maintain the low-income discount and making sure that is secured before making any changes. **Councilmember Salazar** said since this will not take place for a year, we have that time to prepare for it.

Councilmember Salazar based on what has been said tonight and what he has heard from the public he didn't feel it would be representative of the people's wishes for Council to pursue the increases proposed. He asked that other alternatives be looked at that would be somewhat less painful in the short term. He suggested infrastructure repairs be delayed or financed over a longer period of time.

Councilmember Medina said there has been a reduction in sanitary sewer overflow and a lot of improvement on the current head count. He said he respected employees who come to this meeting and step up to the microphone and we should work together as has been done over the last twenty months. He said let's re-examine. These are tough times and a five-year plan is like a blank check, nothing will come back to us for five years. What has been completed over the last three years? He said he was prepared to vote yes on the garbage increase but no on the water/wastewater increases.

Vice Mayor Ibarra shared his personal financial situation but said his votes are not based on his personal life. Sixteen years ago the decision was made to take care of the City and he wasn't going to vote no.

Councilmember Salazar acknowledged the work done by the City. He said his voting no doesn't solve the problem. He felt there might be a better way this could be structured.

Mayor Ruane reflected on what has been done in the past and stated "pay now or pay later." He said if we don't do what we have to do here, we are just putting off the inevitable and he said he was in favor of these ordinances.

Councilmember Salazar said a resident had asked the ordinance be read.

Councilmember Medina asked 8.a. be first.

M/S Ibarra/Medina to waive the first reading on Ordinance imposing a 2.341% Rate Increase by Recology and passed with all ayes.

Vice Mayor Ibarra introduced the ordinance with the provision staff and Recology would get together and review the discrepancies with Peninsula Place Imposing a 2.341% Rate Increase Requested by Recology and passed with a unanimous vote.

Mayor Ruane asked the City Attorney if there was a protocol for reading the ordinance. **City Attorney Zafferano** said reading each and every word and dollar amount in the ordinance. He said it was hard to determine if this would benefit anyone rather than delaying the meeting longer.

Mayor Ruane said the next item would 8.b.

M/S Ibarra/O’Connell to waive the first reading on Ordinance Adjusting Water Rates and passed with all ayes.

Councilmember O’Connell Introduced the ordinance adjusting water rates and passed with three ayes and two noes (Medina and Salazar.)

MS Ibarra/O’Connell to waive the first reading on Ordinance Adjusting Wastewater Rates and passed with all ayes.

Councilmember O’Connell introduced the ordinance adjusting wastewater rates and passed with three ayes and two noes (Medina and Salazar.)

Councilmember Salazar **asked for clarification on Prop 218 where it states there is a requirement of a 2/3 vote to pass. He said that calculates to be 3-1/3. So, do we round down or up?** Zafferano said a 2/3 vote is required if this went to the ballot. For tonight’s purposes on a Council Vote, three votes are necessary.

9. PUBLIC COMMENT ON ITEMS NOT ON AGENDA:

Elaine Matthies, Elm Ave. asked why the islands were being torn up on El Camino?

Barbara LaRaia, Clark Ave. referenced Prop 218 and her disappointment in Council for the disservice done to the people of San Bruno. She did not favor reduction of salaries for the workers, rather the upper echelon. She suggested since redevelopment was going away that the salaries paid the workers in that department be used for something else in the City.

Hank Chaff, Fasman Ave. talked about wasted money.

Sean Conley, Madison Ave. asked for an answer to his question asked earlier in the meeting, how regular citizens can control the cost to help it stay lower?

Russell Stines, Reid Ave. asked how a unanimous yes or no wasn’t reached. He said the economy is in the tank.

City Manager Jackson, in response to **Sean Conley’s** question, said residents could take measures to conserve water consumption. She said residents can proactively observe their area around them and report any anomalies or upsets they observe, water leaks, sanitary sewer upsets.

Audrey Hall, Caselton Way said if the community came together, they could start an initiative to overturn this tonight.

10. CONDUCT OF BUSINESS:

a. Adopt Resolution Approving the Installation of a New 10-foot no-parking Zone on the North Side of Jenevein Avenue West of Cypress Avenue. (Item pulled.)

b. Receive Quarterly Financial Report as of March 31, 2012 for the 2011-12 General Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds.

Finance Director Juran gave a powerpoint overview of the staff report and asked for questions.

c. Adopt Resolution Authorizing the City Manager to Execute a Construction Contract with Sposeto Engineering, Inc. in the Amount of \$220,200 and Approving a Construction Budget of \$242,500 for the Construction for the Commodore Drive Pedestrian Access Project.

Associate Engineer Tseng gave an overview of the staff report and asked for questions.

Councilmember Salazar asked about the nighttime use of this area and if it justifies the cost of the lighting? **Tseng** said a lot of the residents are using the area as a cut-through to get to El Camino. The lighting being provided is similar to other parts of the City. **Councilmember Salazar** asked how above ground lighting would change the price? **Tseng** said an investment in the conduits would have to take place first.

Vice Mayor Ibarra asked what the CIP funding is made up of? **Public Services Director Fabry** said it is the grant funding and also gas tax and years ago RDA funds were assigned to this project.

Councilmember Salazar asked if this lighting would be the same system as everywhere else in the City? **Fabry** said this lighting system would follow modern existing standards not that existing in other parts of the City. LED is under consideration.

Councilmember O'Connell said it is dark walking through the area and definitely needs lights. **Tseng** explained the math calculations making up this project. **Councilmember O'Connell** expressed her concern the street wasn't part of this project. She proposed Contract Award Option #4 as found in the staff report. **City Manager Jackson** said #5 should be used, all identified improvements. **Councilmember O'Connell** said the money could come from the State rehabilitation fund. **Vice Mayor Ibarra** said we should move forward with #3 and then figure out how the paving would be done later.

City Manager Jackson said staff brought forward the figures in order to stay within the budgeted amount. The options were done to provide all of the available information.

Councilmember Salazar asked how many other streets are on the list for repair? **Fabry** said the average is 60.

Councilmember Medina said there are streets throughout San Bruno in desperate need. He favored staying within budget.

Councilmember Salazar introduced the resolution to approve the proposed staff recommendation of #3 and passed with a unanimous vote.

Mayor Ruane interrupted the Council Meeting to announce former Mayor, Bob Marshall, Sr. passed away earlier this evening.

d. Schedule Study Sessions for Review of the FY 2012-13 *Budget*.

City Manager Jackson proposed dates for the Study Session. Discussion took place and the dates chosen were Wednesday, June 6 at 6:00 p.m. and Wednesday, June 13 at 6:00 p.m. Councilmember O'Connell invited everyone to come to see what the Council does.

11. REPORT OF COMMISSIONS, BOARDS, & COMMITTEES:

12. COMMENTS FROM COUNCIL MEMBERS:

Councilmember Ibarra offered his condolences to the Marshall Family. He said the Posy Parade this year is June 3rd, and the theme is “Education is Everything.” Bob Marshall always took care of organizing the elected officials at the parade.

13. CLOSED SESSION:

14. ADJOURNMENT:

Mayor Ruane closed the meeting at 10:41 p.m. with a moment of silence in memory of Bob Marshall. He said there would be a welcome back to the neighborhood celebration on Monday, May 14 at 6:30 p.m. in the Glenview/Crestmoor area.

The next regular City Council Meeting will be held on May 22, 2012 at 7:00 p.m. at the Senior Center, 1555 Crystal Springs Road, San Bruno.

Respectfully submitted for approval
at the regular City Council Meeting of
May 22, 2012

Carol Bonner, City Clerk

Jim Ruane, Mayor